

# **RHODE ISLAND PUBLIC TRANSIT AUTHORITY**

## **BOARD OF DIRECTORS**

### **MINUTES OF DECEMBER 20, 2004 MEETING**

**Board Members Present: Senator Daniel Connors (Chair), Robert Batting (Vice-Chair), RIDOT Director James Capaldi, William Kennedy, and Sharon Conard-Wells.**

**Board Members Absent: Representative Brian Coogan and Thomas Deller.**

**Also Present: Alfred J. Moscola (General Manager), Steven M. Richard (General Counsel), Andrew Prescott, (Labor Counsel), Henry Kinch, Deborah Dawson, Maureen Neira, Mark Therrien, Ellen Farrell and other members of RIPTA's senior staff and the public whose names are listed on the meeting sign-in sheet.**

#### **Agenda Item 1: Approval of Minutes of November 15, 2004 Meeting**

**Senator Connors requested any comments regarding the minutes of the November 15, 2004 meeting. Hearing none, a motion was made for the approval of the minutes of the November 15, 2004 meeting by Mr. Kennedy, seconded by Director Capaldi. The Board unanimously**

**approved the minutes.**

## **Agenda Item 2: General Manager's Report**

**Mr. Moscola advised the Board that the operational performance in relation to the goals continues to be strong. He discussed that RIPTA is currently working on some vehicles sent over by RIDOT, and he will work with Director Capaldi and Mr. Alves from RIDOT to coordinate a program for repairing RIDOT vehicles. He emphasized that the program is in the early stages, and that the goal of the program would be to enable RIDOT to save money on repairs while ensuring that the vehicles are mechanically safe. He provided the Board with some examples of work performed by RIPTA on several vehicles. Director Capaldi stated that the Governor's transition team had recommended partnering with RIPTA for vehicle repair since RIDOT no longer has a maintenance staff and service at independent vendors is very expensive.**

**Mr. Moscola asked the Board Members if they had any specific questions regarding the General Manager's report and hearing none asked AnnMarie McMahon, Director of Finance to provide the Board with an update on the status of RIPTA's Transportation Improvement Program (TIP) application.**

**Ms. McMahon advised the Board that any projects for which RIPTA will seek funding through the TIP must be applied for by February 4,**

**2005 and that the specifics would be brought to the Board in January.**

**She stated that the priority would be given to vehicle replacement and other project requests would be prioritized. She also reminded the Board that money allocated through the TIP is 100% federal money.**

**Senator Connors advised the Board that he was moving to Agenda Items 4 and 5 since they require votes and Director Capaldi must leave the meeting.**

#### **Agenda Item 4: RFP 04-31 Architectural and Engineering Services**

**Henry Kinch explained to the Board the request for approval of a contract with RGB for services related to the McKendall Property. He pointed out that although many projects are coordinated by RIPTA staff, the need arises from time to time for architectural and engineering services.**

**Mr. Batting stated that RGB is a good firm, but he would like the Board to have a better understanding of what is proposed for the property. Mr. Kinch responded that RIPTA would look to RGB to assist in putting together the site plan. Mr. Moscola stated that RGB's expertise would assist in laying out the property and developing a site plan.**

**A motion was made by Mr. Kennedy to select RGB to provide**

**architectural and engineering services to RIPTA for the development of the McKendall property. The motion was seconded by Director Capaldi and passed unanimously.**

### **Agenda Item 5: RFP 05-04 Drug and Alcohol Testing Services**

**Michael McGrane explained the need for such services. He advised the Board that Newport Alliance was the single bidder to provide the service and that he had contacted other vendors who had requested the RFP to identify the reasons they did not bid. He stated that all vendors contacted stated that the services required would be very expensive and they could not compete from a price perspective.**

**A motion was made by Director Capaldi to award the contract to Newport Alliance for Drug and Alcohol Testing Services. The motion was seconded by Mr. Batting and passed unanimously.**

### **Agenda Item 3: FY 06 Preliminary Budget Update**

**Maureen Neira explained that at the last meeting the FY 06 preliminary budget had a \$9.6 Million deficit. Since that time, certain adjustments have been made which include (1) Jobs Access funding has been authorized for \$600,000 more than originally budgeted; (2) Gas Yield has increased slightly – from \$4.78 to \$4.8 Million per penny; (3) Reduction of health insurance costs based on new contract pricing; and (4) Reduction of costs associated with the new**

fareboxes.

She stated that the farebox cost reduction was the result of Director Capaldi's suggestion that some of the one-time start-up costs be applied to the grant. This yielded a projected savings of operating funds of approximately \$650,000. The current status of the FY 06 budget reflects a \$7.7 Million deficit.

She advised the Board that the Governor's budget is scheduled to be finalized on January 20th and that any changes to RIPTA's budget as a result of the Governor's budget would be brought to the Board at the January meeting.

Mr. Kennedy asked for an update on the status of the FY 05 budget. Ms. Neira responded that several changes were made to the original budget. Such changes include (1) RITE Care is beginning to pay RIPTA for the actual number of passes distributed; (2) Fare increases anticipated for February 1 have been added back in; (3) Vacancies not approved for hire by the Board in November were eliminated from the budget; and (4) Medical Insurance co-pay by non-represented employees was added in. She reminded the Board that non-represented employees began paying 5% for medical premiums, and Mr. Moscola stated that would be increased to 10% in July 2005.

Mr. Kennedy asked if anything had changed at the State House that would help and Mr. Kinch responded that the Blue Ribbon

Commission was expected to begin soon. Mr. Kennedy stressed the need for a permanent fix since it is apparent that service cuts are not the answer and commended staff for a good job handling the deficit issues which arise year after year.

Mr. Batting stated that expenses are increasing, and Mr. Kennedy stated that such increases are outside of RIPTA's control and justifiable.

Senator Connors pointed out that RIPTA's experiences are to those confronting all Social Service State Agencies. Sen.Connors suggested that the State not only needs to look at how much service it wants, it must look at how much it can afford. He indicated that RIPTA will get some help with the Blue Ribbon Commission and that he hopes that in a year's time, RIPTA will be able to give the public the service they are seeking. He reminded the Board that during public hearings, there were many people who commented on how good the service is and the need for more.

Mr. Kennedy suggested that more money should be allocated to Marketing and Advertising and Mr. Moscola responded that when cutting expenses Marketing and IT are the first to be cut. Mr. Kennedy stated that when he travels he sees transit ads on TV and in the newspapers and Mr. Moscola stated that we cannot afford that but is moving to put RIPTA ads on the trolleys; but pointed out that the best advertisement for RIPTA is to deliver a good service. Sen.

**Connors praised RIPTA staff for their creativity in light of the limited funds.**

#### **Agenda Item 6: Public Comment Period**

**Senator Connors requested public comments, and Stephen Farrell, President/Business Agent for ATU requested the opportunity to speak.**

**Mr. Farrell thanked Sen. Connors and Rep. Coogan for their hard work and fine stewardship while serving on the Board. He also wished all present a happy holiday season.**

**Sen. Connors addressed those present stated that he has enjoyed the time he has spent on the Board and that he has learned a lot. He expressed his respect for Mr. Moscola and again praised the service provided by RIPTA.**

**He recognized that over the next couple of months, it might be difficult to hold meetings due to the limited membership, but emphasized that his door will always be open to RIPTA and committed to remain active and interested. He then thanked RIPTA staff for a fine job.**

**Mr. Moscola thanked Sen. Connors and Rep. Coogan for their service and stated he will count on their continued support. Mr. Kennedy and**

**Ms. Conard-Wells also thanked Sen. Connors stating that they appreciated his support especially during the difficult decisions**

**Agenda Item 7: Adjournment**

**Sen. Connors moved to adjourn the meeting, which Mr. Batting seconded. The motion passed unanimously.**

**Respectfully submitted,**

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**Ellen M. Farrell**

**Secretary to the Board**